



## INTER-OFFICE CORRESPONDENCE

ORIGINATING OFFICE Westport

TO (LOCATION)

FROM J. P. Madden

DATE 9-26-73

ATTENTION

MEMO TO FILE

SUBJECT

WAH CHANG

COPY TO

R. E. Crow  
L. L. Edwards  
E. S. Hays  
T. E. Purcell - Niagara Falls  
W. L. Taylor

Today Ken Turner was in our office and we discussed Zirconium Tetrachloride.

This year we have been shipping them at the rate of about one million pounds per month. We asked Mr. Turner if they would continue to take this material from us at this rate. He said that they can continue at this rate through December of this year. In 1974, from January to June, they will be able to take about 500,000 lbs. per month. At the moment he cannot say what will happen after June. They are in the process of making some additional sales commitments, and if these work out as they expect, they will probably continue at the 500,000 lb. rate for the rest of the year. It is possible that they may be able to take more than 500,000 lbs. per month during the first part of next year. This depends on their setting up additional storage for Zirconium Tet and Zirconium Oxide.

Their production has come along quite nicely and currently they are making about 55,000 lbs. a day or 1,500,000 lbs. per month. He does expect to get this up to 2,000,000 lbs. per month by the end of the year.

As to price, I indicated to Mr. Turner that we would not know what the price would be in 1974. This was because we expect to be paying more for the raw materials - Chlorine and sand next year. I asked if they could live with a higher price than .13-1/2¢ and although he could not make a commitment, I believe there is room for an increase.

It was agreed that during the last quarter of this year, we would negotiate the price with them.

J. P. Madden

JPM:mbs

SAFEGUARD COMPANY INFORMATION

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